

MINUTES

**MONTANA SENATE
58th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON LEGISLATIVE ADMINISTRATION

Call to Order: By **CHAIRMAN DUANE GRIMES**, on March 24, 2003 at
9:00 A.M., in Room 303 Capitol.

ROLL CALL

Members Present:

Sen. Duane Grimes, Chairman (R)
Sen. Dale Mahlum, Vice Chairman (R)
Sen. Sherm Anderson (R)
Sen. Brent R. Cromley (D)
Sen. Bob Keenan (R)
Sen. Glenn Roush (D)
Sen. Joseph (Joe) Tropila (D)

Members Excused: None.

Members Absent: None.

Staff Present: Judy Keintz, Committee Secretary
Lois Menzies, Legislative Branch

Please Note. These are summary minutes. Testimony and discussion
are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted: HB 435, 3/19/2003
Executive Action: HB 435, HB 41

HEARING ON HB 435

Sponsor: REP. JOHN SINRUD, HD 31, BOZEMAN

Proponents: None

Opponents: None

Opening Statement by Sponsor:

REP. JOHN SINRUD, HD 31, BOZEMAN, introduced HB 435. He explained that this bill provides that legislators should not accept a fee from a state agency for speaking to them. This is the duty and the responsibility of legislators. It is the responsibility of legislators to help facilitate a better governmental system for the state. This would not preclude anyone from having a specific contract with an agency to perform a specific service.

Proponents' Testimony:

None

Opponents' Testimony:

None

Questions from Committee Members and Responses:

REP. JOE TROPILA questioned whether this would preclude payment of expenses. REP. SINRUD explained it would not. This only involves the legislator's time. If there was an out-of-town meeting and legislators drove from their perspective locations, the travel expenses would be covered.

SEN. BRENT CROMLEY questioned whether he would be prevented from accepting a fee from a client for appearing before a commission to represent them in a legal capacity. REP. SINRUD remarked it was his understanding that the bill would not prevent him from accepting such a fee. He would be speaking on behalf of the client, not as a legislator.

SEN. GLENN ROUSH question the situation involving being present at a luncheon where lunch was provided. REP. SINRUD did not believe that would be a concern. This bill specifically involves a speaking engagement by a legislator. In regard to lunch, mileage, or hotel rooms, those items are not considered compensation and would be reimbursable expenses. Compensation would include a physical monetary cash benefit for speaking.

CHAIRMAN DUANE GRIMES noted lines 18 and 19 were structured differently than line 14. He wanted the record to be clear in terms of the word "fee". **REP. SINRUD** stated if the Committee deemed it appropriate to clarify that reimbursable expenses would be appropriate, he would be amenable to such an amendment. This bill would involve a situation wherein the legislator would be asked to speak to an agency. The legislator would not be able to ask for a fee for this service. It would also prevent state agencies from asking a legislator to speak to a committee and offer to pay a fee for his or her time. This would be using the legislator's official capacity to give more weight to an issue. If a state agency truly wants a legislator's weight behind an issue, they could ask the legislator to speak as part of his or her job. Reimbursable expenses could be accepted.

SEN. CROMLEY asked if the bill was drafted due to a problem in the past. **REP. SINRUD** explained that he had been appointed to serve on the Appropriations Committee. He talked to the Legislative Auditor's Office and asked for expenditures in certain areas. He did find that one legislator received a \$500 fee for speaking for 20 minutes. He asked to see the letter of agreement. He believed this fee was excessive.

CHAIRMAN GRIMES questioned whether this might preclude the normal salary a legislator might receive in the course of conducting legislative business. **REP. SINRUD** pointed out the situation of an interim committee would be deemed in law and expenditures have been made in this regard. This bill is to avoid any possible conflict of interest a taxpayer would find. A taxpayer could question why a legislator was paid \$500 to speak. The job description of a legislator includes helping to facilitate government and provide better interaction between the people and the government. Legislators have chosen to be in the office and their time should be given at no charge.

SEN. DALE MAHLUM asked **Lois Menzies** if this has been a problem in the past. **Ms. Menzies** was not aware of this occurring. There is some confusion in the area in regard to when legislators may be eligible for salary and expenses. This bill addresses a fee which would be beyond normal expenses and salary a legislator would receive.

Closing by Sponsor:

REP. SINRUD closed on HB 435.

EXECUTIVE ACTION ON HB 435

Motion: SEN. TROPILA moved that HB 435 BE CONCURRED IN.

Discussion:

SEN. CROMLEY noted a fee would be monetary so this bill would not necessarily exclude a gift. He noted the language could be changed to state "accept compensation from a Montana state agency or a political subdivision of the state of Montana for speaking to the agency or subdivision". Besides changing the word "fee" to "compensation", this would direct the exclusionary language to receiving it from the agency or subdivision.

CHAIRMAN GRIMES suggested adding the language "except as provided for in 5-2-302", which allows for salary and expenses.

SEN. CROMLEY agreed to include the language.

Substitute Motion: SEN. CROMLEY moved that HB 435 BE AMENDED.

Discussion:

SEN. CROMLEY explained the amendment. Subsection (3) would read: "accept compensation, other than as provided for in 5-2-302, from a Montana state agency or a political subdivision of the state of Montana for speaking to the agency or subdivision."

Vote: Motion carried unanimously.

Motion/Vote: SEN. CROMLEY moved that HB 435 BE CONCURRED IN AS AMENDED. Motion carried unanimously.

EXECUTIVE ACTION ON HB 41

Motion/Vote: SEN. TROPILA moved that the Committee RECONSIDER ITS ACTION ON HB 41. Motion carried unanimously.

Motion: SEN. CROMLEY moved that HB 41 BE CONCURRED IN.

Discussion:

CHAIRMAN GRIMES explained that SEN. KEENAN believed this bill may interfere with certain appointments. It has been determined that the bill would not.

Ms. Menzies clarified that HB 41 was a product of the Legislative Council. It repeals a section of law that currently addresses the role of the Legislative Council relative to the interstate and international appointments. The current law is very confusing. This bill eliminates that section of law and inserts three new sections. Section 1 provides definitions for intergovernmental, international, and interstate entities. This would include boards, committees, organizations, or delegations in which members are appointed to represent the state of Montana. This would not include goodwill visits to different countries. It would involve entities such as the Counsel of State Government and the National Conference of State Legislatures, where each state is represented by legislators from that state.

Section 2 addresses the Legislative Council's role which is to encourage contact and exchange of information with other states and other countries. Section 3 is the heart of the bill. It states that unless otherwise provided in law, the Legislative Council shall make appointments for legislators to serve on these interstate or international organizations for the purposes of serving as members. It also provides that the President of the Senate, the Speaker of the House, and the minority leaders in both the House and Senate may recommend nominees for these appointments. It provides if more than one member is appointed to a group, a balance of no more than 50 percent of the number of the legislators appointed may be from any one political party. It also provides that if money is available and if the Legislative Council has authority over those funds, the Council may authorize compensation for legislators to participate in these groups. If a vacancy occurs, it will be filled in the same manner.

Section 4 addresses appointments to the Pacific Northwest economic region. The appointment authority is provided by statute. It sets out how the members are appointed. The Legislative Council appoints membership for policy committees. The Pacific Northwest economic region is established for a number of states and the manner in which members are appointed is provided by compact. This has been adopted. The bill also contains a repealer and a codification instruction. The bill is effective upon passage and approval.

Vote: Motion carried unanimously.

ADJOURNMENT

Adjournment: 9:30 A.M.

SEN. DUANE GRIMES, Chairman

JUDY KEINTZ, Secretary

DG/JK

EXHIBIT (les62aad)